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### Tax Fraud Queen's 21 Year Prison Term Struck Down---Despite Facebook Taunts

Self-proclaimed 'Tax Fraud Queen' Rasha Wilson posted on Facebook that she couldn't be caught. When sentenced in 2013, she got 21 years in prison for owning guns and stealing millions from the IRS. Now, an appeals court has rejected that sentence and ordered a new one. The 28 year old is an inmate at Aliceville Federal Correctional Institute in Alabama. With good behavior, she is scheduled to be released Jan. 5, 2031, but now that could be sooner.

How much her term will be cut isn't clear, though the appeals court found procedural errors that added years to her prison term. Her sentencing was complex because Ms. Wilson was indicted twice in 2012. She pleaded guilty to illegal gun possession, and admitted netting over \$3 million by aggravated identity theft and wire fraud in a tax refund scam.



The sentencing judge considered her prior conviction, the multiple felonies, and a formula that weighs the seriousness of the offenses and the defendant's record. Ms. Wilson was hardly a discreet or modest criminal. She posed with stacks of money online, dubbed herself the "first lady" of tax

fraud, and even taunted authorities on Facebook to catch her. She teased the police with online entries like this one:

***“I’M RASHIA, THE QUEEN OF IRS TAX FRAUD... I’m a millionaire for the record, so if U think indicting me will B easy it won’t, I promise you! U need more than black and white to hold me down N that’s to da rat who went N told, as if 1st lady don’t have da TPD under her spell. I run Tampa right now.”***

Investigators worked for years to gather evidence against Ms. Wilson and other fraudsters in something the feds called [Operation Rainmaker](#). Wilson’s boyfriend, Maurice “Thirst” Larry was targeted, as was Marterrence “Quat” Holloway. But Ms. Wilson was the big catch. Before her coronation as tax fraud queen she had been [arrested 40 times](#), with felony convictions for grand theft and burglary.

Her online activities suggest that she thought she couldn’t be caught. Even in prison she caused controversy. She was supposed to begin paying restitution to victims but pleaded poverty in court. She claimed to U.S. District Judge James S. Moody Jr. that she earns a paltry \$5.25 a month at the federal prison. She lamented that she has to pay for her own vitamins and hygiene items.

But the prosecutor’s response to the judge said Ms. Wilson’s prison account had deposits of \$2,914.43 over six months, allowing her to spend liberally for herself. While incarcerated, Ms. Wilson is supposed to pay at least \$25 per quarter toward the \$3.1 million she and an accomplice owe the IRS for filing returns using stolen identities. Identity theft tax fraud is taken very seriously these days, much more so than some other tax crimes.

Failing to file a return is a misdemeanor, while filing falsely is a felony. Wesley Snipes [didn’t file a false tax return](#), but was [convicted of three misdemeanor counts](#) of failing to file tax returns. His three-year sentence could have been worse. In most cases the IRS must catch you within six years.

For criminal tax evasion, that statute doesn’t run if the taxpayer is indicted within six years after “willfully attempting in any manner to evade or defeat any tax or the payment thereof.” In some cases, though, the statute stops running. For example, the statute stops running if the target is outside the U.S. or is a fugitive.

When the alleged tax crime is committed can be hard to pinpoint. Does filing a false return start the six year clock? What about failing to file by the due date? How about covering it up later, hiding money, or lying about it? All are potential problems that might occur many years after the tax return was (or should have been) filed. That means you may have to worry for many years beyond six.

The issue is especially important if a later act keeps the statute open. Some courts have concluded that the six year statute doesn’t start to run until the last act of tax evasion. For example, in [United States v. Irby](#), the court held the six year statute began to run on the last act of evasion. Mr. Irby

may have *thought* he only had to worry for six years, but he used nominee trusts to conceal his assets, delaying when his six years *commenced*. Years later, he could still be indicted, prosecuted and convicted.

Timing is terribly important in tax cases. No one wants to be in the position of lying low and worrying about being caught. Even the Queen of Tax Fraud is probably aware of that now.

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